

## **Managing Summer Electric Bills**

Following Winter Storm Uri, the PUC ordered retail electric providers (REPs) to stop disconnecting customers for not paying their electric bills. Customers protected from disconnection continue to receive bills and accrue charges. If a customer cannot pay these bills, help is available.

## What do PUC rules require?

A customer who cannot pay a bill in full should **contact his or her REP**. If a customer indicates an inability to pay, **the REP must inform the customer of all applicable payment options and assistance**. Depending on the customer's payment history, one of the following options may available:

- A **payment arrangement** is an agreement between the REP and a customer to pay a bill after its due date, but before the next bill. This is sometimes called "an extension."
- A deferred payment plan allows a customer to pay an outstanding balance in installments. The initial
  payment required by the plan cannot be more than half the amount due. The REP must allow the customer
  at least five billing cycles to pay the remainder. The REP may apply a switch-hold to the customer's
  account that will prevent the customer from switching to another REP until the plan is paid in full. A
  deferred payment plan must be made available for a bill that becomes due in July, August, or
  September.

## What other help is available?

In addition to plans required by PUC rules, REPs may offer additional help, including lower down payments or more time to pay than the rules require.

- Many REPs have their own payment assistance programs, like <u>TXU Energy Aid</u>, <u>Ambit Energy Aid</u>, <u>Reliant's CARE program</u>, <u>Direct Energy's Neighbor to Neighbor program</u>.
- Community assistance agencies provide bill payment assistance to customers with past-due bills and some future electric service expenses. Note: many agencies require a disconnection notice for a customer to receive priority assistance.
- 211 Texas is a free, anonymous hotline and website available 24 hours a day, 7 days a week, 365 days a year that connects customers with assistance for many needs, including utility bill assistance.
- Texas Department of Housing and Community Affairs' (TDHCA) <u>Texas Rent Relief Program</u> will
  cover past due, current and some future electric service expenses (up to 15 months total). They are
  currently administering \$1.3 Billion in federal funds.
- Some REPs offer "cooling centers" during the summer. Pre-pandemic, these were neighborhood
  locations with activities and snacks, where residents could pass the time while conserving air
  conditioning usage at home. In 2020, these programs evolved into cooling care packages, which
  included cooling cloths, wall thermometers, bottled water, energy saving tips, and activities via Zoom.
  Some even donated portable air conditioners.

**DISCONNECTION MORATORIUM ENDING** – On June 11, 2021, the PUC ordered the end of the moratorium on disconnections for non-payment to take effect on June 18, 2021. Beginning June 19, 2021, retail electric providers (REPs) must issue new disconnection warning notices to customers whose past due accounts put them at risk of service termination. According to PUC rules, those notices will trigger a ten-day waiting period to allow customers to arrange for payment, meaning disconnections can resume on June 29, 2021.

**DISCONNECTION OF SERVICE** – A REP may authorize disconnection of electric service to a customer for nonpayment.<sup>1</sup> Prior to disconnection, the REP must issue a disconnection notice no earlier than the due date of the bill and specify a disconnection date at least ten days after the notice is issued. **Disconnection is prohibited during an extreme weather emergency** (heat advisory issued by the National Weather Service). Additional notice and other protections are available for customers with health conditions that may worsen without access to electricity.

<sup>&</sup>lt;sup>1</sup> Disconnection rules are numerous and detailed. This summary is intended to provide an overview of the most common scenarios.